

PSCnews

Public Service Commission of South Carolina

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Patty Sands, Editor

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Energy Efficiency Programs FOR CONSUMERS

With prices continuing to rise on so many fronts, consumers are looking for ways to save money. Reducing energy usage through energy efficiency measures is one way to do that.

Just what is energy efficiency? It can be defined as, "Using less energy with the same or better levels of comfort, prosperity, health and safety." Some examples of energy efficiency measures include installing high efficiency light bulbs, weatherizing and insulating homes, and buying highefficiency appliances. Energy efficiency is different from energy conservation. Energy efficiency measures are more permanent and usually do not have to be repeated to achieve the same reduction in usage as compared to conservation measures, such as turning off lights or setting the thermostat to a lower temperature in the winter.

Duke Energy Carolinas, Progress Energy Carolinas, SCE&G and Piedmont Natural Gas Company have all submitted energy efficiency programs to the Commission for approval. These programs will provide consumers the opportunity to reduce their energy usage.

They range in scope from educational programs and energy audits to rebates for the purchase of energy efficient appliances to incentives for investments in solar water heating systems. For instance, Duke Energy offers both residential and nonresidential customers energy analysis and on-site energy audits which help identify energy-saving opportunities. Progress Energy offers a Neighborhood Energy Saver Residential Low-Income Program which targets low-income neighborhoods with educational sessions and a comprehensive package of energy conservation measures at no cost to the customer. Both utilities offer programs to encourage customers to reduce their energy consumption during periods of high demand.

South Carolina law (Section 58-37-20) requires that utilities be allowed to recover the costs associated with approved energy efficiency programs and the loss of revenue as a result of lower customer usage, and, in addition, to receive incentives for offering energy efficiency programs. That being said, will consumers actually save money by participating in these programs? Yes. Since the cost recovery is spread over all rate classes, consumers taking energy efficiency measures should still be able to see real savings in their energy bills.

The Duke Energy and Progress Energy programs have been approved by the Commission. Hearings are still pending in the SCE&G and Piedmont Natural Gas cases.

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From the Chair...Lib Fleming



When Charlie Terreni walked into my office a few weeks ago and told me that he was returning to private practice, my heart sank.

For the past five years, Charlie has done a superb job as chief clerk and administrator at the Commission. He

courageously led us through the difficult process of restructuring, guided us on our mission, and challenged us to be better Commissioners. He brought a fresh perspective on how things needed to be done and helped the agency achieve national recognition during his short time here.

Charlie's leadership was effective because he embraced change, envisioned the big picture, and believed in building collaborative partnerships. He identified personal strengths in those he worked with and capitalized on them. He called on each of us to do more. In the process, the agency is stronger than ever and will continue to be a fair, open, and effective

regulatory body.

Along the way, Charlie has mentored the agency's deputy clerk, Jocelyn Boyd. She has been involved in the strategic planning meetings, the budgeting process, and the legislative review process. As the interim chief clerk, Jocelyn will bring her own leadership style to the table, having recently completed the State's Certified Public Manager Program, a vigorous plan for developing leaders in our state government.

Charlie's efforts and leadership make us

appreciate the value of change. So we shall embrace change. I want to thank Charlie for h is many contributions to the agency and wish him all the best in his return to private practice.



A special recognition ceremony for Charlie Terreni was held February 3, 2010.

Appointments and Achievements - Congratulations!

Commissioner John E. "Butch" Howard was recently appointed chairman of the National Association of Regulatory Utility Commissioners (NARUC) Committee on Water by NARUC President David Coen. As chairman of the committee, Commissioner Howard



will also serve on the NARUC Board of Directors.

Commissioner Howard said of his appointment, "As the current co-vice chairman of the committee, I am honored to be assuming the chairmanship, and I look forward to continuing my work on this committee."

The Committee on Water works closely with the Environmental Protection Agency, the National Association of Water Companies, and the Association of State Drinking Water Administrators. ➢ Jocelyn G. Boyd, Deputy Clerk and Interim Chief Clerk of the Commission, has been elected to

the Executive Committee of the South Carolina State Government Improvement Network (SCSGIN). By providing a central point of contact for education and information sharing on innovative management practices, SCSGIN



strives to create opportunities for organizations and individuals in state government to improve services they deliver.

PSC staff member William O. Richardson has been appointed to serve as co-chair of the NARUC Staff Subcommittee on Water effective March 1, 2010. He will serve with Scott Woodbury of the Idaho Public Utilities Commission.

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PSC Chief Clerk Terreni to Return to Private Law Practice

In late 2004, the Public Service Commission hired me to serve as the agency's Chief Clerk and Administrator. It was an exciting opportunity because the agency was going through a fundamental restructuring. Five years later, after a good bit of soul searching, I've decided that the time is right for me to move back into private practice.

Working at the PSC has been a great experience. In the past couple of weeks, I've said, "This is the best job I've ever had," so often, that people started to wonder if I was really leaving. The Commissioners I have served have been wonderful and conscientious people, and the Commission staff is second to none. Because of these people, the Commission will continue to carry out its mission of providing South Carolinians fair and effective utility regulation, even in these most challenging times.

South Carolina is fortunate to have a remarkably stable system of utility regulation. Other states are not so lucky; it is enough to look at their newspaper headlines, which all too often report resignations, ethical impropriety, and political grandstanding. Our unique system helps protect against this type of regulatory chaos. We now can look back on Act 175 of 2004, which restructured the PSC and established the Office of Regulatory Staff, as well as the Public Utilities Review Committee, and conclude that this reform legislation provided us a system for effective utility regulation in very challenging times.

As observers of the state regulatory process know, as the result of Act 175, the PSC became the first administrative agency in the state to function exclusively as a quasi-judicial body governed by the Code of Judicial Conduct. The Office of Regulatory Staff was established to act as the advocate for the public interest and enforce the Commission's regulations. The operations of the two agencies are overseen by the Public Utilities Review Committee, a joint legislative committee, also established by the new legislation.

Effective regulation also requires responsible participants who carry out their duties and represent their interests in a constructive fashion, and South Carolina is privileged to have them.

In Brief...

By Charlie Terreni, Chief Clerk and Administrator



I have been fortunate to serve Commissioners who have an ingrained sense of fairness. It has also been a privilege to work with outstanding colleagues at the PSC and the ORS. The guidance and support that I have received of the Public Utilities Review Committee has been invaluable. Finally, the regulated community - utilities, public interest groups, and concerned citizens - has participated in the process with integrity and collegiality. Act 175 gave these individuals the opportunity to succeed, and they took it.

Visitor from Bangladesh



The PSC recently entertained a member of the Bangladesh Energy Regulatory Commission. Mokhlesur Rahman

Khandker and his US host from International Resources Group, Julie Casabianca, spent several days in Columbia on a study tour to learn more about energy efficiency and renewable energy programs and the regulatory process in the United States. The tour included visits to the SC Energy Office, the University of South Carolina's Engineering College, the Commission, the Office of Regulatory Staff, and SCE&G.

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INSIDE --> Energy Efficiency Programs — Farewell from the Chief Clerk — Recognition & More

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State of South Carolina website www.sc.gov

Department of Environmental Health and Control (DHEC) www.dhec.sc.gov

Department of Public Safety www.scdps.org